



National Clean Diesel Program FY2008

www.epa.gov/cleandiesel

Funding is now available for clean diesel activities. For fiscal year 2008, Congress appropriated funds for the first time under the Energy Policy Act (2005) to help reduce emissions from heavy-duty diesel engines. Through the National Clean Diesel Campaign, the Environmental Protection Agency (EPA) will award grants to assist its eligible partners in building diesel emission reduction programs across the country that improve air quality and protect public health. For fiscal year 2008, the national amount of funding available is \$49.2 million.

Why Clean Diesel?

Reducing emissions from diesel engines is one of the most important air quality challenges facing the country. Even with EPA's more stringent heavy-duty highway and nonroad engine standards set to take effect over the next decade, millions of diesel engines already in use will continue to emit large amounts of nitrogen oxides, particulate matter and air toxics, which contribute to serious public health problems. These emissions are linked to thousands of premature deaths, hundreds of thousands of asthma attacks, millions of lost work days, and numerous other health impacts every year.

This year, Clean Diesel funding is split into two components:

- National Clean Diesel program (70% of funding)
- State Clean Diesel Grant program (30% of funding)

What are the National Clean Diesel Programs?

The National component has three parts:

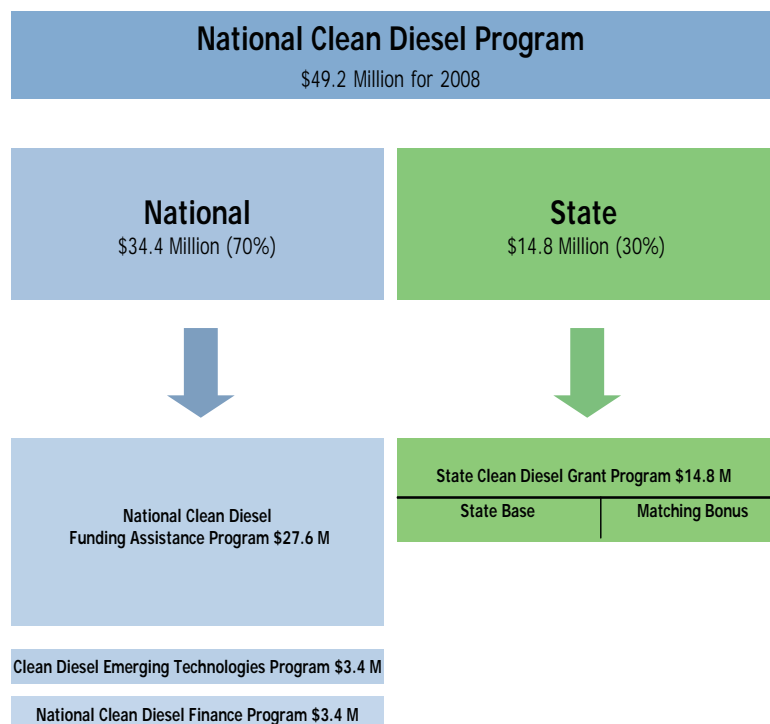
- **National Clean Diesel Funding Assistance Program** contains the majority of the funding dedicated to deployment of EPA-verified and certified technologies. This component will be administered by EPA's regional offices. (\$27.6 million for FY08)

- **National Clean Diesel Emerging Technologies Program** fosters the deployment of innovative technologies through a national grant competition. To qualify as an emerging technology, a manufacturer must submit an approvable application and test plan for verification to EPA. (~\$3.4 million for FY08)

- **National Clean Diesel Finance Program** allows EPA for the first time to issue competitive grants to establish national low-cost revolving loans or other financing programs that will provide funding to fleets to reduce diesel emissions. (~ \$3.4 million for FY08)

What is the State Clean Diesel Grant Program?

Funding assistance is available directly to States interested in establishing new State diesel emissions reduction programs. Incentives are provided for States to match resources towards these programs.



Who Can Apply?

Eligible entities are U.S. regional, State, local, tribal or port agencies with jurisdiction over transportation or air quality; and nonprofit organizations or institutions that represent or provide pollution reduction or educational services to persons or organizations that operate diesel fleets; or has as its principle purpose the promotion of transportation or air quality. School districts, federally recognized Indian tribes, municipalities, metropolitan planning organizations (MPOs), cities and counties are all eligible entities under this program.

What Fleets Qualify?

The following types of fleets qualify for funding:

- Buses

- Medium or heavy-duty trucks

- Marine engines

- Locomotives or

- Nonroad engines, stationary engines, or vehicles used in construction, handling of cargo (including at a port or airport), agriculture, mining, or energy production.

At least half the funds will be for the benefit of public fleets. This includes private fleets contracted or leased for public purpose, such as private school buses, refuse haulers, or equipment at public ports. However, only eligible entities can apply directly to EPA for this funding (e.g., a school district would apply and administer a project on behalf of a private school bus contractor).

What is an Eligible Use of Funding?

For the national component, funds will be used for verified retrofit technologies, incremental costs of early replacement and repower with certified engine configurations, and reduction of long-duration idling with approved technologies. For more detailed information, visit EPA's website for links to Regional Requests for Proposals. For the State component, States will develop statewide diesel emission reduction programs that utilize the technological options described above.

What Projects will Receive Priority in the Funding Assistance Competitions?

Under the law, priority projects are those that accomplish the following:

- Maximize public health benefits;
- Are the most cost effective;
- Serve areas with highest population density; that are in poor air quality areas, including
 - nonattainment and maintenance areas, Federal class 1 areas,
 - areas with toxic pollutant concerns,
 - areas that receive a disproportionate quantity of air pollution from diesel fleets including truck stops, ports, rail yards, terminals and distribution centers,
 - areas that use a community-based multi-stakeholder collaborative process to reduce toxics emissions;
- Maximize the useful life of any certified engine configuration, verified technology, or emerging technology;
- Conserve diesel fuel; and
- Use diesel fuel with a sulfur content of less than or equal to 15 ppm (for nonroad engines).



National Clean Diesel Campaign

For more information visit our website at www.epa.gov/cleandiesel